

Surplus Statement as of 2/27/09

(Millions of Dollars)

| | Estimated FY 2009 | Estimated FY 2010 | Pro Forma FY 2011 | Biennial |
|---|----------------------|----------------------|----------------------|------------------|
| Beginning Balance | 1,413.1 | 1,192.4 | 458.0 | |
| Current Year Revenues | | | | |
| Forecasted Revenue (1) | 12,442.0 | 13,821.2 | 14,321.9 | |
| Disproportionate Share Hospital (DSH) | 67.0 | 67.0 | 67.0 | |
| Quality Assessment Fee | 18.0 | 18.0 | 18.0 | |
| Miscellaneous Revenue (2) | 15.0 | - | - | |
| Outside Acts - 2009 (3) | - | (66.3) | (278.7) | |
| Rainy Day Fund Interest | 7.2 | 4.3 | 1.7 | |
| State Tuition Reserve Interest | 8.0 | 6.2 | 8.0 | |
| Total Current Year Revenues | 12,557.2 | 13,850.4 | 14,137.9 | 27,988.3 |
| Current Year Expenses | | | | |
| FY09 As-Passed / FY10-11 Recommended Appropriations (4) | 13,427.1 | 14,535.6 | 14,580.1 | |
| Enrolled Acts - 2008 (excluding HEA 1001) | 6.1 | - | - | |
| Outside Acts - 2009 (3) | - | 107.2 | 125.0 | |
| Reversal of Payment Delays | (136.6) | - | - | |
| Adjustment for Stadium/Convention Center Appropriation | - | (41.0) | (41.0) | |
| Judgments and Settlements | 8.0 | 8.0 | 8.0 | |
| Total Reversions (5) | (684.6) | (25.0) | (25.0) | |
| Total Current Year Expenditures | 12,620.0 | 14,584.8 | 14,647.1 | 29,231.9 |
| Annual Surplus / (Deficit) | (62.8) | (734.4) | (509.2) | (1,243.6) |
| (Current Year Revenues - Current Year Expenses) | | | | |
| Other Sources and (Uses) of Cash | | | | |
| Reduce Payment Delay Liabilities: | | | | |
| Higher Education | (31.1) | | | |
| PTRF Adjust for Abstracts | (78.7) | | | |
| Net Impact of HEA 1001 (2008) (6) | (48.1) | | | |
| Total Combined Balances | 1,192.4 | 458.0 | (51.2) | |

Totals may not add due to rounding

Notes: (1) Forecasted revenue figures reflect the updated revenue forecast from 12/11/08. For FY10 and FY11, the figures include the revenue from HEA 1001 (2008). For FY09 only, the net impact of HEA 1001 (2008) is shown under "Other Sources and (Uses) of Cash."

(2) Miscellaneous revenue reflects the final repayment of Marion County Juvenile Arrearage dollars.

(3) Outside Acts include all bills that have passed the House of Representatives and have a fiscal impact to the General Fund of at least \$500,000 in FY10 and/or FY11. The figures do not include the impact of federal changes, such as the increase in the federal cigarette tax which will result in reduced state cigarette tax collections. Nor do the figures include any potential revenue impacts from the "American Recovery and Reinvestment Act," such as the change in tax law related to net operating losses.

(4) HEA 1001 (2008) appropriations are included in "Recommended Appropriations" for FY10 and FY11. For FY09 only, the net impact of HEA 1001 (2008) is shown under "Other Sources and (Uses) of Cash."

(5) HB 1001 precludes the State Budget Agency from achieving \$82.8M in projected savings that were included in the Governor's Contingency Plan to keep the FY09 budget balanced.

(6) Net partial-year impact of HEA 1001 (2008) for FY09. Figure reflects the General Fund transfer to cover the difference between the license fees and FY09 homestead credits. The revenues and appropriations for HEA 1001 (2008) are included in "Forecasted Revenue" and "Governor's Recommended Appropriations" for FY10 and FY11.

**GENERAL FUND and PROPERTY TAX REPLACEMENT FUND
COMBINED STATEMENT OF ESTIMATED UNAPPROPRIATED RESERVE**

(Millions of Dollars)

| | Estimated FY 2009 | Estimated FY 2010 | Pro Forma FY 2011 |
|--|----------------------|----------------------|----------------------|
| <u>Resources:</u> | | | |
| Working Balance at July 1 | 592.5 | 356.6 | 0.0 |
| Current Year Resources | | | |
| Actual Forecasted Revenue | 12,442.0 | 13,821.2 | 14,321.9 |
| Disproportionate Share Hospital (DSH) | 67.0 | 67.0 | 67.0 |
| Quality Assessment Fee | 18.0 | 18.0 | 18.0 |
| Transfer from Tuition Reserve | - | 100.0 | 322.2 |
| Transfer from Rainy Day Fund | - | 288.3 | 87.9 |
| Miscellaneous Revenue | 15.0 | - | - |
| Outside Acts - 2009 | - | (66.3) | (278.7) |
| HEA 1001-2008 Revenues | 1,074.3 | - | - |
| Total Current Year Resources | 13,616.3 | 14,228.2 | 14,538.3 |
| <u>Total Resources:</u> | 14,208.8 | 14,584.8 | 14,538.3 |
| <u>Uses: Appropriations, Expenditures, and Reversions:</u> | | | |
| Appropriations | | | |
| FY09 As-Passed / FY10-11 Recommended Appropriations | 13,427.1 | 14,535.6 | 14,580.1 |
| HEA 1001-2008 Expenditures | 1,122.4 | - | - |
| Outside Acts - 2009 | - | 107.2 | 125.0 |
| Enrolled Acts - 2008 | 6.1 | - | - |
| Total Appropriations | 14,555.6 | 14,642.8 | 14,705.1 |
| Other Expenditures and Transfers | | | |
| PTRC and Homestead Credit Adjustments | 78.7 | - | - |
| Accelerated Reversal of Payment Delays | (105.5) | - | - |
| Adjustment for Stadium/Convention Center Appropriation | - | (41.0) | (41.0) |
| Judgments and Settlements | 8.0 | 8.0 | 8.0 |
| Total Appropriations & Expenditures | 14,536.8 | 14,609.8 | 14,672.1 |
| Reversions | (684.6) | (25.0) | (25.0) |
| Total Net Uses | 13,852.2 | 14,584.8 | 14,647.1 |
| General Fund Reserve Balance at June 30: | 356.6 | 0.0 | (108.8) |
| <u>Reserved Balances:</u> | | | |
| Medicaid Reserve | 57.6 | 57.6 | 57.6 |
| Tuition Reserve | 408.0 | 314.2 | 0.0 |
| Rainy Day Fund | 370.2 | 86.2 | 0.0 |
| Total Combined Balances | 1,192.4 | 458.0 | (51.2) |
| <i>Net Combined Balance as a Percent of Operating Revenue</i> | <i>8.8%</i> | <i>3.2%</i> | <i>-0.4%</i> |
| <i>Net Combined Balance as a Percent of the Following Year's Budgeted Appropriations</i> | <i>8.2%</i> | <i>3.1%</i> | <i>-</i> |

Fiscal Impact of Outside Acts for House of Representatives (General Fund Only)

| Bill # | Title | 2010 | | 2011 | |
|--------|---|-----------------------|----------------------|------------------------|----------------------|
| | | Rev | Exp | Rev | Exp |
| 1001 | Medicaid managed care | | \$22,000,000 | | \$36,000,000 |
| 1001 | Circuit breaker replacement grant | | \$44,996,179 | | \$49,544,204 |
| 1027 | Prekindergarten grant pilot program | (\$14,600,000) | | (\$14,400,000) | |
| 1050 | Funding for programs for devel disabled | | \$1,160,000 | | \$1,180,000 |
| 1056 | Military service credit for TRF members | | \$315,000 | | \$3,150,000 |
| 1057 | Collective bargaining for public employees | | \$500,000 | | \$500,000 |
| 1080 | Sales tax exemption for home energy assist | (\$6,018,488) | | (\$6,018,488) | |
| 1178 | Military pension income tax deduction | (\$2,670,135) | | (\$3,265,362) | |
| 1195 | Requirements for FSSA contractors | | \$26,400,840 | | \$26,400,840 |
| 1201 | Senior discount card | | \$3,226,000 | | \$150,000 |
| 1236 | Autism regional resource centers funding | | \$1,900,000 | | \$1,900,000 |
| 1338 | Incentives provided by the IEDC | | \$500,000 | | \$0 |
| 1360 | Alternative energy incentives for REMCs | (\$2,400,000) | | (\$2,400,000) | |
| 1415 | Tax deduction for solar-powered roof vents | (\$1,500,000) | | (\$1,500,000) | |
| 1429 | Grandparent visitation and elderly matters | \$0 | | (\$208,452,067) | |
| 1448 | Indiana long term care savings plan | \$0 | | (\$3,389,163) | |
| 1481 | Office of educational equity | | \$500,000 | | \$500,000 |
| 1490 | Tax on recreational vehicles & cargo trailers | (\$3,481,148) | | (\$3,600,161) | |
| 1495 | Lead in children's products | | \$3,300,000 | | \$3,300,000 |
| 1546 | Public retirement fund benefits | | \$605,000 | | \$855,000 |
| 1642 | Trafficking in cellular telephones inmates | | \$1,486,476 | | \$1,486,476 |
| 1729 | Gaming matters | (\$35,666,666) | | (\$35,666,666) | |
| | | (\$66,336,437) | \$106,889,495 | (\$278,691,907) | \$124,966,520 |